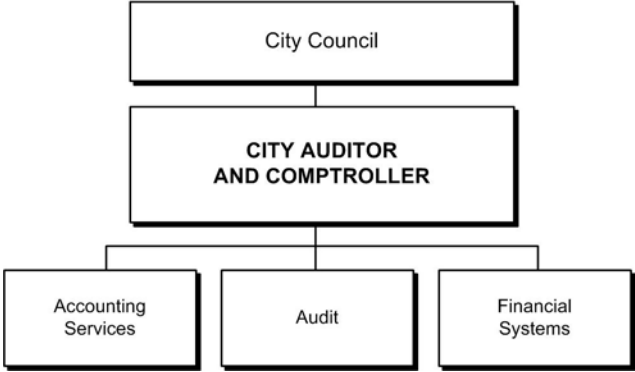


City Auditor and Comptroller



City Auditor and Comptroller



Mission Statement

To provide cost-effective accounting, auditing and fiscal management services to the Mayor, City Council and City management; to work in partnership with the Mayor, City Council and City management to help create positive change and assist in the performance of their mission; to protect the interests of the general public; and to enhance the reputation of San Diego as a fiscally well-managed City.

Department Description

The City Auditor and Comptroller is the Chief Fiscal Officer of the City. The Office performs three major/main functions for the City: accounting, auditing, and designing and maintaining financial systems. The leadership group provides the planning and direction for this Office; functions as a fiscal advisor to the Mayor and City Council, City Manager and City management; and is a leader on the City finance team.

Division/Major Program Description

Accounting Services

This Program provides accounting services and support to the Mayor, City Council, City departments, commissions and related City agencies; maintains accounting records for City assets and fiscal activities; reviews transactions for fiscal compliance with related legal and policy requirements; monitors and projects expenses and revenues; prepares statements and reports of City financial activities as needed, or as required by various governmental agencies, in accordance with generally accepted accounting standards; and coordinates City payment processing (employee and retiree payrolls, and commercial warrants) in compliance with appropriate laws, rules and regulations.

City Auditor and Comptroller

Division/Major Program Description

Audit

The Audit Division performs operational audits, special investigations, performance measure audits, and Citywide audits; determines compliance with City directives and internal controls; ensures the proper accountability of revenues and expenditures of City departments, grant-funded programs and various agreements; ensures revenues due to the City by hotels, lessees, businesses, franchisees, and other organizations are accurate and received in a timely manner; and assists with Mayor and City Council-directed budget reviews.

Financial Systems

This Program designs and maintains the computerized financial systems necessary to ensure the fiscal integrity of the City's financial records. In addition, this Program provides assistance in designing, programming and implementing the fiscal component of other department systems as requested by the City Manager's Office. This Program also coordinates modifications to interfaces between Auditor systems and those of other departments.

Service Efforts and Accomplishments

During the past fiscal year, the City Auditor and Comptroller provided substantial analytical support related to the financing and accounting requirements for various debt issuances. Also, City Auditor and Comptroller's staff provided analytical support to the financing teams and project accounting assistance for the Fire and Life Safety Projects and the Library System. The Office continued to provide substantial analytical support related to the financing and accounting requirements for the Ballpark Redevelopment Project, and financial and analytical assistance to the Engineering and Capital Projects and Real Estate Assets Departments in the oversight of the State Route 56 Capital Improvement Project. The Office worked closely with the Mayor and City Council and the City Manager to maintain a balanced budget by frequently projecting year-end status, implementing solutions, and controlling actual expenses to meet projections.

The Office continues their commitment to providing employees payroll information electronically. In addition to payroll information being available via the City's Intranet, this year the Office began offering employees the option of viewing payroll information via the Internet from their homes, while on vacation, or wherever they have access to the Internet.

Process improvements included the implementation of Electronic Payment and Electronic Data Interchange (EDI) capabilities for San Diego Gas & Electric payments. Working with Environmental Services Department, Treasurer Department, and the San Diego Data Processing Corporation, this system eliminated manual processing of payments for gas and electric bills. Additionally, in conjunction with the above departments, we were an integral part of the implementation team for the centralized E-Government internet payment system. This system will act as the hub for all internet payment activity within the City and ensures central reporting, reconciliation, and accounting processes are in place for all future internet payment systems that may be created to improve the convenience to citizens.

For the past five years, the City Auditor and Comptroller has averaged \$2.9 million in audit recoveries. These recoveries result in additional revenues being generated for various funds within the City.

City Auditor and Comptroller

Future Outlook

In the coming year, the City Auditor and Comptroller will continue to assist City departments in meeting their goals. The Office will provide increased financial services related to the maintenance of a balanced budget during the most difficult fiscal circumstances faced by the City in the last 10 years. The City Auditor and Comptroller's staff will participate on the finance team and provide support and analytical accounting assistance for various ongoing financing issues. The Office will continue to provide audit coverage to maximize deficiencies, recoveries, and cost savings by performing all mandatory audit assignments. The Office will also select areas for review which could produce additional revenues for the City and/or efficiencies and cost savings for City operations.

City Auditor and Comptroller				
	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 FINAL	FY 2004-2005 CHANGE
Positions	97.87	97.87	98.82	0.95
Personnel Expense	\$ 7,360,400	\$ 7,922,199	\$ 8,733,923	\$ 811,724
Non-Personnel Expense	\$ 588,440	\$ 598,558	\$ 539,054	\$ (59,504)
TOTAL	\$ 7,948,840	\$ 8,520,757	\$ 9,272,977	\$ 752,220

Department Staffing

	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 PROPOSED
GENERAL FUND			
City Auditor and Comptroller			
Financial Systems Division	3.70	3.70	3.70
Accounting Services	70.95	71.95	72.90
Audit	23.22	22.22	22.22
Total	97.87	97.87	98.82

Department Expenditures

	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 FINAL
GENERAL FUND			
City Auditor and Comptroller			
Financial Systems Division	388,839	417,811	448,179
Accounting Services	5,525,168	6,013,804	6,566,034
Audit	2,034,833	2,089,142	2,258,764
Total	7,948,840	8,520,757	9,272,977

City Auditor and Comptroller

Significant Budget Adjustments

GENERAL FUND

City Auditor and Comptroller	Positions	Cost
Salary and Benefit Adjustments	0.00 \$	733,645
Adjustments to reflect the annualization of the Fiscal Year 2004 negotiated salary compensation schedule, Fiscal Year 2005 negotiated salaries and benefits, changes to average salaries, retirement contributions and other benefit compensation.		
Staffing Provided to the Redevelopment Agency and Facilities Financing (Reimbursable)	0.95 \$	78,357
Addition of 0.70 Accountant II and 0.25 Accountant III to provide accounting support to Facilities Financing and the Redevelopment Agency.		
Non-Discretionary	0.00 \$	16,824
Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.		
Support for Information Technology	0.00 \$	(76,606)
Funding has been reallocated according to a Citywide review of information technology budget requirements and priority analyses.		

Expenditures by Category

	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 FINAL
PERSONNEL			
Salaries & Wages	\$ 5,655,606	\$ 5,912,163	\$ 6,258,076
Fringe Benefits	\$ 1,704,794	\$ 2,010,036	\$ 2,475,847
SUBTOTAL PERSONNEL	\$ 7,360,400	\$ 7,922,199	\$ 8,733,923
NON-PERSONNEL			
Supplies & Services	\$ 243,167	\$ 244,645	\$ 244,923
Information Technology	\$ 187,708	\$ 190,718	\$ 156,454
Energy/Utilities	\$ 143,170	\$ 148,800	\$ 123,282
Equipment Outlay	\$ 14,395	\$ 14,395	\$ 14,395
SUBTOTAL NON-PERSONNEL	\$ 588,440	\$ 598,558	\$ 539,054
TOTAL	\$ 7,948,840	\$ 8,520,757	\$ 9,272,977

City Auditor and Comptroller

Revenues by Category

	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 FINAL
GENERAL FUND			
Revenue from Money & Property	\$ -	\$ -	125,000
Charges for Current Services	\$ 2,040,712	\$ 2,036,049	2,143,051
TOTAL	\$ 2,040,712	\$ 2,036,049	2,268,051

Key Performance Measures

	FY 2003 BUDGET	FY 2004 BUDGET	FY 2005 FINAL
Financial Reporting - Average cost/dollar reported	\$0.000212	\$0.000200	\$0.000237
Accounts Payable - Average cost/dollar processed	\$0.000678	\$0.000673	\$0.000818
Payroll - Average cost/dollar processed	\$0.001125	\$0.001175	\$0.001182
Certification of Funds Availability - Average cost/dollar certified	\$0.000364	\$0.000374	\$0.000522
Audit - Percent of costs recovered	100.00%	100.00%	100.00%

Salary Schedule

GENERAL FUND

City Auditor and Comptroller

<i>Class</i>	<i>Position Title</i>	<i>FY 2004 Positions</i>	<i>FY 2005 Positions</i>	<i>Salary</i>	<i>Total</i>
1100	Accountant III	10.00	10.25	\$ 66,096	\$ 677,483
1103	Account Audit Clerk	12.00	12.00	\$ 36,336	\$ 436,035
1133	Sr Account Audit Clerk	5.00	5.00	\$ 42,200	\$ 211,000
1183	Accountant IV	8.50	8.50	\$ 80,537	\$ 684,564
1535	Clerical Assistant II	1.00	1.00	\$ 32,748	\$ 32,748
1617	Micrographics Clerk	1.00	1.00	\$ 33,214	\$ 33,214
1647	Payroll Audit Specialist I	2.00	2.00	\$ 41,845	\$ 83,689
1648	Payroll Specialist II	1.00	1.00	\$ 38,255	\$ 38,255
1649	Payroll Audit Specialist II	4.00	4.00	\$ 44,283	\$ 177,131
1746	Word Processing Operator	1.00	1.00	\$ 34,855	\$ 34,855
1842	Accountant II	37.37	38.07	\$ 57,461	\$ 2,187,555
1876	Executive Secretary	1.00	1.00	\$ 48,365	\$ 48,365
1886	Payroll Audit Supv-Auditor	1.00	1.00	\$ 49,773	\$ 49,773
2107	Asst City Auditor & Compt	1.00	1.00	\$ 148,905	\$ 148,905
2137	City Auditor & Comptroller	1.00	1.00	\$ 183,568	\$ 183,568
2217	Financial Operations Manager	4.00	4.00	\$ 117,769	\$ 471,075
2228	Principal Accountant	7.00	7.00	\$ 99,987	\$ 699,911

City Auditor and Comptroller

Salary Schedule

GENERAL FUND

City Auditor and Comptroller

<i>Class</i>	<i>Position Title</i>	<i>FY 2004 Positions</i>	<i>FY 2005 Positions</i>	<i>Salary</i>	<i>Total</i>
	Temporary Help	0.00	0.00	\$ -	\$ 59,950
	Total	97.87	98.82	\$	6,258,076

CITY AUDITOR AND COMPTROLLER TOTAL 97.87 98.82 \$ 6,258,076

Five-Year Expenditure Forecast

	FY 2005 FINAL	FY 2006 FORECAST	FY 2007 FORECAST	FY 2008 FORECAST	FY 2009 FORECAST	FY 2010 FORECAST
Positions	98.82	100.82	102.82	104.82	104.82	104.82
Personnel Expense	\$ 8,733,923	\$ 9,213,750	\$ 9,650,124	\$ 10,099,590	\$ 10,402,578	\$ 10,714,655
Non-Personnel Expense	\$ 539,054	\$ 562,226	\$ 586,093	\$ 610,676	\$ 628,996	\$ 647,866
TOTAL EXPENDITURES	\$ 9,272,977	\$ 9,775,976	\$ 10,236,217	\$ 10,710,266	\$ 11,031,574	\$ 11,362,521

City Auditor and Comptroller

Fiscal Year 2006

Addition of 1.00 Accountant II to provide grant accounting services to meet Park and Recreation State grant mandated procedures. Addition of 1.00 Principal Accountant for the development, upgrade, and implementation of the General Ledger.

Fiscal Year 2007

Addition of 1.00 Accountant II to accommodate growth in general City activity anticipated in the Library System, San Diego Fire-Rescue, and other programs. Addition of 1.00 Accountant II for the development, upgrade, and implementation of the General Ledger.

Fiscal Year 2008

Addition of 1.00 Accountant II in Internal Audit to perform special requests and investigations. Addition of 1.00 Accountant II to provide Auditor involvement in information system development to ensure compliance with federal, State, and local mandated changes and review departmental policies on safeguarding computer generated information.

Fiscal Years 2009-2010

No major projected requirements.